

Dow Agro Sales Slip in 4th Quarter



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INDIANAPOLIS—High inventories and lower crop prices took a bite out of Dow AgroSciences' sales in the fourth quarter, dragging them down 16 percent, [reports the Indianapolis Business Journal](#) (IBJ).

The Indianapolis-based agricultural division of Dow Chemical Co. said lower demand, price pressures on herbicides and currency headwinds all hurt sales of its crop protection products. Dow Agro rang up sales of \$1.6 billion for the quarter, down from \$1.9 billion a year ago.

The unit earned \$220 million before interest, taxes, depreciation and amortization, essentially unchanged from \$222 million in the same quarter of the previous year.

One-time gains from the sale of non-strategic product lines, coupled with reduced spending on research and overhead were offset by pricing headwinds and the divestiture of the AgroFresh post-harvest specialty chemical business, Dow Agro said.

Sales of parent Dow Chemical fell about 20 percent in the quarter to \$11.5 billion. Net income, excluding certain items, rose 6.5 percent to \$1.06 billion.

The tough results for Dow Agro come as its 1,500 employees on the northwest side face an [uncertain future](#).

Dow Chemical has not yet committed to keep its ag headquarters in Indianapolis, as part of the parent company's [impending merger](#) with DuPont Co., planned for later this year, [reports the IBJ](#).

The deal calls for Michigan-based Dow Chemical and Delaware-based DuPont to combine operations. By 2018, the companies would split into three independent publicly traded companies, based on agriculture, chemicals and materials, and specialty products.

Dow Agro said demand remained strong for new product technologies, which saw sales jump 6 percent for the full year. Seeds reported double-digit volume growth in Latin America.